

Submitted via email: [HealthWorkforceComments@help.senate.gov](mailto:HealthWorkforceComments@help.senate.gov)

**March 20, 2023**

The Honorable Bernard Sanders  
Chair  
Committee on Health, Education, Labor, and Pensions  
United States Senate  
Washington, DC 20510

The Honorable Bill Cassidy, M.D.  
Ranking Member  
Committee on Health, Education, Labor, and Pensions  
United States Senate  
Washington, DC 20510

**RE: Request for Information on Health Care Workforce Shortages**

Dear Chairman Sanders and Ranking Member Cassidy:

The following are part of a nonpartisan, nationwide coalition comprised of organizations representing clinicians, health care providers, safety net plans, and counties dedicated to preserving and improving the Medicaid program. The undersigned organizations appreciate the opportunity to provide comments in response to your request for input from stakeholders to best understand views on the drivers of health care workforce shortages and ideas on potential solutions.<sup>1</sup> In our view, workforce shortages, especially those seen in providers and professionals struggling to care for the Medicaid population, stem from insufficient payment rates, insufficient supply of providers, and increased demand for particular services most acutely in urban and rural underserved areas. These challenges impact the ability of health care providers and plans to provide needed services to our nation's most vulnerable: low-income children, pregnant individuals, parents, individuals with disabilities, seniors, and other adult Medicaid beneficiaries across the country. Below, we provide recommendations for specific policy solutions within your Committee's jurisdiction that would start to address some of these issues. We hope to continue working with the HELP Committee as you begin to shape these policy solutions into actionable legislation.

***Drivers of Workforce Shortages***

- **State provider payment rates are insufficient to achieve the goal of being able to recruit and retain enough providers to serve Medicaid beneficiaries.** While Federal law mandates that state Medicaid payments be "sufficient to enlist enough providers so that care and services are available under the [state] plan,"<sup>2</sup> existing Federal regulations fail to adequately measure and enforce adequate payment rates. As such, Medicaid has notably low reimbursement rates, that are often much lower than Medicare payment rates,

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<sup>1</sup> Letter to Health Care Stakeholders from Bernard Sanders, Chair, and Bill Cassidy, M.D., Ranking Member, Senate HELP Committee (March 2, 2023), [https://www.help.senate.gov/imo/media/doc/rfi\\_workforce.pdf](https://www.help.senate.gov/imo/media/doc/rfi_workforce.pdf).

<sup>2</sup> Section 1902(a)(30)(A) of the Social Security Act.

and at times lower than the actual cost of providing care to Medicaid patients.<sup>3</sup> This makes it more difficult for the program to enlist a sufficient number of providers who can meet patient demand,<sup>4</sup> and thus negatively impacts access to care for Medicaid beneficiaries, who are disproportionately people of color.<sup>5</sup>

- **Insufficient supply of providers for populations served by the Medicaid program.** Even before the pandemic, many types of providers and clinicians, including the long-term care community, behavioral health providers, and primary care providers as well as clinicians, increasingly experienced worsening workforce issues, and the COVID-19 pandemic only accelerated this decline.<sup>6,7,8</sup> For a variety of reasons, including cost of education, not enough people are pursuing careers in these important fields.

**Increased demand for provider types serving the Medicaid program.** Due to COVID-19 and other factors, certain types of providers are experiencing ongoing surges in demand, likely to continue for the foreseeable future. For example, our aging population will continue to significantly increase demand for long-term care services, for which Medicaid is the primary payer.<sup>9</sup> More than two-thirds of older adults will need some personal assistance in their daily lives, and nearly half will have a high enough level of need that they will be eligible for private long-term care insurance or Medicaid at some point in their lives.<sup>10</sup> Further, the COVID-19 pandemic has exacerbated an already significant mental health crisis in this country,<sup>11</sup> increasing demand for mental health services and further stretching the existing capacity of mental health providers serving the Medicaid population.<sup>12</sup>

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<sup>3</sup> See T. N. Ford & J. Michener, *Medicaid Reimbursement Rates Are a Racial Justice Issue*, The Commonwealth Fund (June 16, 2022), <https://www.commonwealthfund.org/blog/2022/medicaid-reimbursement-rates-are-racial-justice-issue>; see also C. Mann & A. Striar, *How Differences in Medicaid, Medicare, and Commercial Health Insurance Payment Rates Impact Access, Health Equity, and Cost*, The Commonwealth Fund (Aug. 17, 2022), <https://www.commonwealthfund.org/blog/2022/how-differences-medicare-and-commercial-health-insurance-payment-rates-impact#2>.

<sup>4</sup> D. Alexander & M. Schnell, *The Impacts of Physician Payments on Patient Access, Use, and Health*, National Bureau of Economic Research (Aug. 2020), <https://www.nber.org/papers/w26095>.

<sup>5</sup> *Distribution of the Nonelderly with Medicaid by Race/Ethnicity*, Kaiser Family Foundation (2021), <https://www.kff.org/medicaid/state-indicator/medicaid-distribution-nonelderly-by-raceethnicity/>.

<sup>6</sup> I. Telesford et al., *How has health sector employment recovered since the pandemic?*, Peterson Center on Healthcare & the Kaiser Family Foundation (Jan. 20, 2023), <https://www.healthsystemtracker.org/chart-collection/what-impact-has-the-coronavirus-pandemic-had-on-healthcare-employment/>.

<sup>7</sup> H. Saunders et al., *A Look at Strategies to Address Behavioral Health Workforce Shortages: Findings from a Survey of State Medicaid Programs*, Kaiser Family Foundation (Jan. 10, 2023), <https://www.kff.org/medicaid/issue-brief/a-look-at-strategies-to-address-behavioral-health-workforce-shortages-findings-from-a-survey-of-state-medicaid-programs/>.

<sup>8</sup> Association of American Medical Colleges. *The Complexities of Physician Supply and Demand: Projections From 2019 to 2034*. June 2021. Retrieved from <https://www.aamc.org/media/54681/download>

<sup>9</sup> The Census Bureau estimates that more than 94.7 million people will be 65 or older in 2060. See J. Vespa et al., *Demographic Turning Points for the United States: Population Projections for 2020 to 2060*, United States Census Bureau (Feb. 2020), <https://www.census.gov/content/dam/Census/library/publications/2020/demo/p25-1144.pdf>.

<sup>10</sup> P. Kemper et al., *Long-Term Care Over an Uncertain Future: What Can Current Retirees Expect?*, *Inquiry*, 42(4): 335-350, <https://pubmed.ncbi.nlm.nih.gov/16568927/>.

<sup>11</sup> *Increased Need for Mental Health Care Strains Capacity*, American Psychological Association (Nov. 15, 2022), <https://www.apa.org/news/press/releases/2022/11/mental-health-care-strains>.

<sup>12</sup> H. Saunders et al., *A Look at Strategies to Address Behavioral Health Workforce Shortages: Findings from a Survey of State Medicaid Programs*, Kaiser Family Foundation (Jan. 10, 2023).

## *Recommendations*

- **Grants administered by relevant federal agencies such as the Department of Labor (DOL) and the Department of Health and Human Services (HHS) to strengthen the healthcare workforce, including the direct care workforce.**
  - The Committee should consider legislation that would authorize increased funding to relevant federal agencies within its jurisdiction to increase investments that support the recruitment, training, retention, and professional development of a diverse clinical and non-clinical workforce.
  - For example, the legislation can authorize funding to DOL to award grants to health care entities in health professional shortage areas to support the hiring, training, and retention of healthcare workers, including direct care workers.
  - The legislation could also authorize funding to HRSA to carry out grants for health care entities for pilot demonstrations to enhance the skills of healthcare workers including direct care workers mental health professionals and promote retention.
  - Last, the legislation could also increase funding for HRSA Title VII workforce development programs.
- **Expand loan repayment programs to include more health workers, especially those who come from disadvantaged backgrounds and/or racial or ethnic minorities.**
  - The Committee should consider legislation that would expand loan repayment programs that provide for student loan repayment in exchange for service commitments for a range of different types of health care providers.
    - The Committee could look to S. 462 (The Mental Health Professionals Workforce Shortage Loan Repayment Act of 2023<sup>13</sup>) as a guiding example. This bipartisan legislation would address the current lack of incentives for mental health providers working in the Substance Abuse treatment to serve in areas that struggle to recruit and retain physicians. It would also create new incentives to attract providers to serve in underserved areas. This legislation would repay up to \$250,000 in eligible student loan repayment for mental health professionals who work in mental health professional shortage areas.
    - The Committee should consider these policy ideas and extend them to additional provider types experiencing severe shortage issues.
  - The Committee should also consider legislation that would incentivize current and former National Health Service Corps (NHSC) participants (physicians, nurses, and dentists) to enroll in demonstration programs to support entities, including

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<sup>13</sup> Sponsored by Sen. Tina Smith (D-MN), Sen. Lisa Murkowski (R-AK), and Sen. Maggie Hassan (D-NH).

long-term care facilities and hospitals at risk of losing obstetric services, experiencing severe staffing shortages.

- The variety of settings experiencing severe staffing shortages also warrants consideration for expanding the NHSC to other qualified health specialties, including certain mental health professionals and direct care workers.
- **Ensure broad eligibility for federal programs intended to increase providers in underserved areas.**
  - The Committee should consider utilizing expansive eligibility language in legislation intended to increase providers in underserved areas.
    - For example, Section 403 of the MISSION Act of 2018<sup>14</sup> directs the VA to expand its existing medical residency program to underserved non-VA facilities. The Act provides an expansive definition of “covered facility” for the purpose of the program by listing specific provider types and including “[s]uch other health care facility as the Secretary considers appropriate for purposes of this section” as a catch-all.
- **Safety from Violence for Healthcare Employees (SAVE) Act (H.R. 7961)**, legislation that would protect caregivers from workplace violence.
  - The bill, introduced by Reps. Madeleine Dean (D-Pa.) and Larry Bucshon, MD, (R-Ind.), would provide legal penalties, similar to federal protections that exist for flight crews, for individuals who knowingly and intentionally assault or intimidate hospital employees. Increasing threats and acts of violence against health care workers have further burdened a workforce already under immense strain from shortages, burnout, and trauma related to the COVID-19 pandemic. While Congress and the Department of Justice have addressed violence against airline workers, they have not done the same for the health care workforce.

The Coalition appreciates the opportunity to provide these comments and looks forward to working with the HELP Committee to identify bipartisan solutions to remedy our nation’s health care workforce shortages and develop these ideas into legislation. If you have questions or seek any additional information, please contact Elizabeth Cullen at the Jewish Federations of North America at [Elizabeth.Cullen@jewishfederations.org](mailto:Elizabeth.Cullen@jewishfederations.org).

Sincerely,

American Academy of Family Physicians  
American Dental Association  
American Dental Education Association

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<sup>14</sup> John S. McCain III, Daniel K. Akaka, and Samuel R. Johnson VA Maintaining Internal Systems and Strengthening Integrated Outside Network Act of 2018, Pub. L. 115-182 § 403, 132 Stat. 1393, 1472 (2018)

American Health Care Association  
America's Essential Hospitals  
ANCOR  
Associations for Clinicians for the Underserved  
National Association of Counties (NACO)  
National Council of Urban Indian Health  
National Health Care for the Homeless Council  
The Jewish Federations of North America